Engels as Interpreter of Marx’s Economics

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INTRODUCTION

It is a little known fact that Frederick Engels was the original pioneer in the territory Karl Marx later made his own, namely the critique of political economy. Prior even to Engels’s empirically-based study of the condition of the English working class in 1844 was his article *Outlines of a Critique of Political Economy*, written in 1843. This came into Marx’s hands in his capacity as editor of the *Deutsch-Französische Jahrbücher* in which it was duly published.1 Marx studied it again when he himself turned to the subject in 1844, and in his own publications he continually praised it. However, when Marx indicated that he intended to write a big work on economics, Engels seems to have happily resigned the matter to him, for he had many other interests. But as Marx’s literary executor Engels had not only to bring out the remaining volumes of *Capital* but to explain and defend the theory in debate.

This paper is concerned with Engels’s work on Marx’s critique of political economy. As is the case in general, Engels was originally taken as a reliable guide to Marx’s work in this area; but the claim has been made that Engels’s views as a commentator and popularizer are to be rejected, and that, in the editorial work Engels did on Marx’s *Capital*, he abused (consciously or unconsciously) the trust Marx placed in him as the literary executor of the Marxian legacy. While the main interest of the paper lies in its consideration of Engels’s interpretation of Marx’s method, I shall first consider the charges pertaining to his work as Marx’s literary executor.

Before considering such charges it is worth noting that the habit of taking Marx and Engels as one person is so deeply ingrained from earlier times2 that traces of it survived in places until very recently. As a prime example of this tradition let us take the well-known
textbook by M.C. Howard and J.E. King on *The political economy of Marx*, which appeared in 1975. Treating of what they assume is Marx’s ‘logical-historical method’, they give passages as if they quote from Marx (e.g. ‘in history . . . development as a whole proceeds from the most simple to the most complex relations’) when the passages in question are really the work of Engels. They are from a review Engels wrote in 1859 of Marx’s *Contribution to the Critique of Political Economy.* (I deal with it extensively below.)

Howard and King also calmly say that Marx begins *Capital* with a model he terms ‘simple commodity production’. No source is given for this – which is not surprising for the simple reason no such term occurs in *Capital*, Volume I. Their previous footnote is supposed to give relevant passages from the whole three volumes but not one exhibits the term, none are from chapter 1, and furthermore, again without acknowledgement, the last is from an appendix by Engels!

However, Howard and King were simply reproducing what they had read in R.L. Meek. In all his work Meek was absolutely unconscious about treating Marx and Engels as one person. Throughout, he quoted freely from Engels when purporting to give Marx’s views. In his 1967 essay on ‘Karl Marx’s Economic Method’, he used both the 1859 review (in order to allege Marx’s method is ‘logical-historical’) and Engels’s Preface to *Capital*, Volume III (in order to allege Marx had a model ‘he called “simple” commodity production’, and to claim Marx described the capitalistically produced commodity as a ‘secondary form’). As late as 1973 Meek was still working in the same way:

I still think I was right in laying special emphasis on Marx’s ‘logical-historical method’: indeed, if anything I think I underestimated the extent to which Marx’s economic work was guided by it . . . Marx’s *logical* transition in *Capital* (from the commodity relation as such to the ‘capitalistically modified’ form of this relation) is presented by him as the ‘mirror-image’ of a *historical* transition (from ‘simple’ to ‘capitalist’ commodity production) . . .

The ‘by him’ in this remark is simply false, because all the quoted material is not from Marx but from Engels. (The mysteries of ‘the logical-historical method’ and of ‘simple commodity production’ – in truth inventions of Engels’s – will be treated below.)

After disposing of some strictly textual questions, my paper will conclude with a discussion of the substantive issue of Marxian method, of what Engels made of it, and what it should be.
ENGELS AND CAPITAL

In the literature the writer who exhibits the most obsessive hatred for Engels is Norman Levine, an attitude signalled well enough in the title of his first book *The Tragic Deception: Marx Contra Engels*. However, his most extraordinary achievement was to read into Engels’s reviews of *Capital* the exact opposite of what is stated there. This occurs in his 1984 book *Dialogue Within the Dialectic*.7

Endeavouring to show that Engels tried to turn Marx into some kind of natural scientist, Levine claims one such review states that political economy is ‘now universally valid’: in fact the review said it was considered ‘hitherto just as abstract and universally valid a science as mathematics’, a concept to which ‘Marx put an end’.8 Levine goes on to claim that the review attributes to Marx the discovery of ‘laws’ of social development. The review does nothing of the sort, but rather points out that after Marx’s work it will ‘no longer be possible . . . to apply laws which are valid for modern industry’ to earlier epochs.9 Levine claims the same review says that for Marx the laws in question do apply, and, where they do not, ‘this contradiction did not show that the laws of wage-labor were wrong but rather that “the old conditions were heretical”’. However, Engels here characterized not Marx’s view but views he contrasted to Marx’s.10

Turning to another review, Levine says that ‘Engels applauded Marx for taking “economic laws for eternal truths”’. But the review in question says that Marx’s ‘sense of history . . . forbids the author to take the laws of economics for eternal truths’.11

Levine is clearly suffering from an Engels phobia. But the most tragicomic case of his determination to show Engels always in the wrong comes when he quotes correctly. He gives a long passage, from a review Engels placed in the *Stuttgarter Beobachter*,12 to show that Engels falsified Marx by talking about ‘science’, ‘laws’ and ‘abolition [of capitalism]’. There is only one thing wrong with this ‘evidence’ – the whole passage was copied by Engels from Marx, as may be seen by comparing it with the letter Marx wrote to Engels instructing him how to compose this very review!13

It is a pity Levine shows himself to be such an unreliable commentator,14 for he is one of the few to have investigated in detail Engels’s editing work on Volumes II and III of *Capital*.15 There may well be discoveries to be made about this, but we must await the publication of the manuscripts in the *Marx-Engels Gesamtausgabe*
(hereafter MEGA) to see.\textsuperscript{16} However, it has to be said that one of Levine's complaints is very odd. Since Marx had planned to bring out the next two 'books' of \textit{Capital} in one volume, he argues that Engels wilfully disregarded this wish, and in the process of producing two more volumes gave us a bloated text.\textsuperscript{17} Yet everything we know about Marx's writing shows that promised 'brochures' turn into books, and books into many volumes; there is little doubt that if Marx had been able to carry forward his work we would have been lucky to escape with merely \textit{two} more volumes of \textit{Capital}!

Let us turn now to Engels's work on \textit{Capital}, Volume I, which includes the English translation for whose content and text he took 'ultimate responsibility' and on which he spent considerable time.\textsuperscript{18} Since the editions and translations of Volume I have been available for a long while, the anti-Engels faction has not been silent in this area. But alas! – they trip up.

The key thing here is the existence of the French edition, virtually written by Marx himself, since he went over every word as Roy submitted it to him, section by section, correcting it, freely editing his own text, and inserting many new passages to the point where he felt able to add a note at the end informing the reader that the French edition 'possessed a scientific value independent of the original and must be consulted even by readers familiar with German'.\textsuperscript{19} Given this, the strategy of comparing the English edition supervised by Engels with the German original, in order to detect interference by him, is defective. The fact is that changes made by Engels generally follow changes Marx had already made in the French.

Of great importance in this connection are Marx's letters to N. Danielson, his Russian translator, for example: 'In regard to the second edition of \textit{Capital} ... I wish that the \textit{division into chapters} – and the same goes for the subdivisions – be made according to the French edition.'\textsuperscript{20} No doubt he gave Engels the same instructions.

Given this, it is odd that Ben Fowkes in his modern translation published by Penguin should attribute the English chapter divisions to 'Engels's arrangement'\textsuperscript{21} without mentioning why this was done. Also A. Oakley, following Fowkes, complains that 'Engels chose to rearrange' the chapter and part divisions of \textit{Capital}, for the English ones do not follow the German.\textsuperscript{22} Quite so. They do not. They follow the French!\textsuperscript{23} From the second edition on, the German has 25 chapters in seven parts. The French, and later the English, has 33 chapters in eight parts.
Still more astonishing, given his erudition, is that Hal Draper failed to say this in his monumental *Marx-Engels Cyclopedia*. In Volume II, *The Marx-Engels Register*, he says that Engels renumbered the chapters for the English edition, but he does not say why; nor does he mention the matter of renumbering when dealing with the French edition.\(^\text{24}\)

Raya Dunayevskaya, in spite of calling attention to the importance of the French edition, became confused herself when (probably misled by Fowkes) she charged Engels with creating ‘a new Part Eight’ for the section on ‘so-called Primitive Accumulation’; this was a mistake in her view ‘for that section . . . should have been inseparable from [that on] the Accumulation of Capital’.\(^\text{25}\) But – alas! – the culprit was Marx, who himself introduced *‘Huitième section. L’accumulation primitive’!* Engels was simply copying his master in preparing the English with the same divisions.

More alarming to students than the chapter renumbering may be the fact that the very title was changed in Engels’s English edition. The German book was *Das Kapital: Kritik der politischen Oekonomie* and the first volume was *Der Produktionsprocess des Kapitals*. The English version put out by Engels in 1887 was called *Capital: A Critical Analysis of Capitalist Production* with the first part called *Capitalist Production*.\(^\text{26}\)

It seems to me that these are very different, in that the emphasis in the German seems to be on how capital produces itself as a value form (with a promise of how it circulates to come), whereas the English sounds rather more pedestrian: there is production in general but here we look specifically at its capitalist form. However, whether there is anything in such reflections or not, Engels was not the originator of a deviation from the German. For Marx’s French edition was called simply *Le Capital* with the first volume called *Développement de la Production Capitaliste*. The English version was a cross between the two earlier ones.\(^\text{27}\)

In general the lesson is that no assessment of Engels’s work as editor of Marx’s Volume I can be made without close examination of the French edition. It seems certain that Marx instructed him to use this as a guide for other translations, for he wrote to Danielson: ‘I was obliged to rewrite whole passages in French to make them accessible for the French public. Later it will be so much easier to translate from the French into English.’\(^\text{28}\) But then he had doubts about the French, complaining to Danielson in 1878 that he was ‘sometimes obliged – principally in the first chapter – to “aplatir” the
matter in its French version'. A few days later, probably with this in mind, he decided that 'the first two sections ("Commodities and Money" and "The Transformation of Money into Capital") are to be translated exclusively from the German text'. The French is a great help in other matters too: for instance, when translating from the German, the French can be consulted for guidance.

At all events, it should be noted that Engels did not feel it incumbent on him to annotate his editions as carefully as we might demand today. For example, the explicit reference to Hegel in note 21 of his English edition does not occur in any German or French edition, and was therefore inserted by Engels without particular notice.

An omission, which has acquired importance because of the central place given to the term 'Träger' in structuralist interpretations of Capital, occurs in chapter 2. After Marx said that 'the characters who appear on the economic stage are but the personifications of the economical relations that exist between them', he added: 'it is as bearers [Träger] of these economic relations that they come into contact with each other'. Engels missed this out, but in doing so he was simply following the French. (What is odd, however, is that in neither of the respective Apparat volumes to the French and English MEGA editions is the omission noted!)

But sometimes the Engels edition unaccountably omits something. For example, the sentence 'What is the case with the forces of nature, holds for science too' is left out of the chapter on machinery after the reference to 'the elasticity of steam'. (Oddly, the Fowkes translation which claims to restore 'whole sentences omitted by Engels' does not restore this one even though it is there in the Werke edition from which the translation was made.)

Engels's Prefaces to the Third and Fourth German editions indicate his reliance on notes left by Marx on what was to be incorporated from the French. Engels's additions were not consistent, however. The sentence 'The religious world is but the reflex of the real world' added to the English from the French he failed to put in these German editions.

An example where a mere word may make all the difference to the reading of a passage occurs in the case of the controversial topic of skilled labour. Bernstein claimed to have found a passage in Capital in which it appeared that Marx had directly derived the higher value produced in a given time by skilled labour from the
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higher value of that sort of labour power. The sentence quoted was: ‘Ist der Wert dieser Kraft höher, so äussert sie sich aber auch in höherer Arbeit und vergegenständlicht sich daher, in denselben Zeiträumen, in verhältnismässig höheren Werten.’

Hilferding, in his polemic of 1904 against Böhm-Bawerk, digressed from his main theme in order to point out that the sentence does not say what Bernstein claimed it does. (It is in truth compatible with the Marxian axiom that the value of a product cannot come from the ‘value of labour’.) He argued further that, for it to do so, ‘aber’ would have to be changed to ‘daher’. Bernstein was using the second edition, Hilferding the third; but, as Hilferding’s translators point out in a note, in the fourth edition, edited by Engels, ‘aber’ is replaced by ‘daher’!

As Hilferding pointed out, the issue under discussion is valorization, so Marx’s purpose in raising the topic of skilled labour is to argue that it makes no difference to the basic process. Even if the skilled labourer receives a higher wage, surplus value is still obtained because he produces more value in a given time. Given this, it is clear that ‘aber’ is needed to emphasize this point. I would translate: ‘Albeit of higher value, this power manifests itself, however [aber], in labour of a higher sort, [which] objectifies itself therefore ... in proportionately higher values.’ Substituting ‘daher’ (‘therefore’) considerably weakens the force of the sentence, and could indeed lead to a Bernsteinian reading, as Hilferding thought. In fact, Engels is doubly at fault; for he let pass a sloppy translation of this sentence in the English edition: ‘This power being of a higher value, its consumption is labour of a higher class, labour that creates in equal times proportionately higher values ...’ – ‘aber’ has simply disappeared!

More research could be done on such questions, but I now turn to the more substantial question of Engels’s views on the nature of Marx’s method.

HOW ENGELS REVIEWED MARX

The first occasion on which Engels endeavoured to interpret Marx’s work to the public was in a review which later became enormously influential. For the idea that the way to understand Marx’s method was as a modification of Hegel’s dialectical logic entered the public domain with Engels’s review of Marx’s 1859 Contribution to the Critique of Political Economy, appearing in two instalments in Das
More specifically, Engels claimed that Hegel had shown Marx how logic and history went hand in hand, both proceeding from simple relations to more complex ones. This "logical-historical method" became so firmly established within Marxism that when R.L. Meek was challenged on the question in 1975 he reacted first by pointing out that he had inherited this view from a long tradition of interpretation, and cited Engels's review at length as the locus classicus for it.

The challenge in question had its own authoritative text, namely Marx's unpublished 1857 Introduction to the Critique of Political Economy, which, as part of a rather complex discussion, stated that 'it would be . . . wrong to let the economic categories succeed each other in the order in which they were historically decisive'. In a way it is surprising that this took so long to emerge as an alternative since it had been around, not only in German (first publication 1903), but in English (1904), for a long time.

The assumption of many commentators, who rely on this as summarizing Marx's real view of the matter, is that he could not have changed his mind within a year or so, and that, therefore, Engels's promotion of a logical-historical method must be in error, and an unwarranted imposition on Marx's text. (P. Kain and T. Carver are prominent proponents of this view.)

Such a charge against Engels is put in question if we attend to the circumstances of the publication of the review. Marx was acting editor of Das Volk at that time, and pushed Engels to do the review. Submitting the first part to Marx, Engels specifically advised him that he could 'tear it up', or 'knock it into shape', if he did not like it (doubtless it was taken for granted this would apply to the more controversial second article too). Thus it seems that the review had Marx's imprimatur. Many commentators miss this basic point; thus not only critics of Engels such as Carver and Kain but even Hunley, Engels's defender, miss it. However, Meek, in the Engels corner, draws attention to it, as does Stedman Jones.

If, then, because the review appeared under Marx's editorial aegis, we cannot say Marx disapproved of its content, we cannot, on the other hand, say it was a put-up job. Marx did give advice; but for some reason Engels did his own thing. After asking generally for something 'briefly on the method and what is new in the content', Marx followed up with more precise instructions that it should not be forgotten '1. that it extirpates Proudhonism root and branch, 2. that the specifically social, by no means absolute, character of bourgeois
production is analysed straight away in its simplest form, that of the commodity.\textsuperscript{64} Engels's review does not mention Proudhon, nor does it relate the commodity to bourgeois production. Of course, Engels might have been intending to come to these points in his promised third article on the 'economic content';\textsuperscript{65} but before he could proceed Marx reported dolefully 'Das Volk is no more'; the paper had collapsed, with Engels's second article in the last issue.\textsuperscript{66}

To come now to the content of the review: Marx's book comprised two chapters, one on the commodity and one on money, together with the subsequently famous Preface with its sketch of historical materialism (the methodological \textit{Introduction} written in 1857 was suppressed); the extraordinary thing about the review is that, without much evidence from the book, Engels in his second article (his first was on the Preface) situated Marx's work in the context of German philosophy, and more particularly Hegelian speculative science; he went on to foist on the book a 'logical-historical' method. Three puzzles arise: (a) was it useful to drag in Hegel? (b) was Marx's method 'logical-historical'? (c) if either of these are to be answered in the negative, why did Marx allow the review to pass (and exult when it was widely reprinted\textsuperscript{67})?

On the first point: Terrell Carver has pointed out that the tradition that Marx's work should be approached through a study of Hegel was first established in Engels's review.\textsuperscript{68} But, while this is so, it has to be added also that Marx himself adhered to this tradition in the second edition of \textit{Capital}, in so doing appropriating from the review the metaphor of a rational 'kernel' in 'idealistic wrapping', where Hegelian logic is concerned. We can trace the origin of this metaphor backwards: \textit{Capital} says (1873 edition) that 'the mystification which the dialectic suffers in Hegel's hands' can be corrected: 'With him it is standing on its head. It must be inverted in order to discover the rational kernel within the mystical shell [\textit{Hülle}];'\textsuperscript{69} Engels's 1859 review said that Hegel's thought 'reversed the correct relation and stood it on its head'; furthermore 'Marx was and is the only one who could undertake the work of extracting from the Hegelian logic the kernel containing Hegel's real discoveries in this field, and of establishing the dialectical method, divested of its idealistic wrappings [\textit{Umhüllungen}];'\textsuperscript{70} Marx himself again, writing earlier to Engels (January 1858), had expressed the ambition to make accessible 'in 2 or 3 sheets ... the \textit{rational} aspect of the method which Hegel not only discovered but mystified'.\textsuperscript{71}
As for Hegel himself, he explained that since his dialectical logic was the system of pure reason ‘this realm is truth as it is without a veil [Hülle]’.\(^72\) As if anticipating Engels, Hegel wrote that in his philosophy the ‘manner of presentation is not arbitrary, it does not stand on its head . . . because it has got tired of using its legs’.\(^73\)

In trying to explain why it was not useful as it stood, Engels characterized ‘Hegel’s method’ as one ‘which, according to its own avowal, “came from nothing through nothing to nothing”’.\(^74\) This is a surprisingly vulgar attack on Hegel. Possibly it is in part a caricature of Hegel’s central category of ‘absolute negativity’; but, in so far as the quotation can be identified with anything in Hegel, it seems to be a reference to Hegel’s dialectic of ‘Reflection’ (in his *Science of Logic*) which is characterized in its purity, or abstractness, as the movement from nothing, through nothing, back to itself. The section introducing this concept, however, is part of a chapter on ‘Illusory Being’ (*Schein*), not therefore the standpoint of Hegel’s own philosophy, but one he identifies with scepticism and Kantianism, and whose position he is concerned to undermine in order to make further progress.\(^75\) (The formula is of such small importance that it is suppressed in his *Encyclopaedia ‘Logic’*.)

But why did Engels bring Hegel into his review when Marx’s text barely mentions him?\(^76\) Apart from his own views on the matter,\(^77\) Engels had the evidence of the above-mentioned letter from Marx, in which it is noted that Hegel’s *Logic* was of assistance in ‘the method of analysis’.\(^78\) Marx discussed his work on a visit to Engels in May of 1858\(^79\) and could well have infected Engels with his new enthusiasm for Hegel.\(^80\) Officially, the trip was to enable Marx to recover his health after overwork on the *Grundrisse*. But, clearly, theoretical matters inevitably obtruded themselves. Specifically, we know that Marx discussed the projected ‘chapter on capital’ with Engels, valuing his opinion on the matter\(^81\) – precisely the material on which Hegel’s dialectic had been of assistance according to the January letter. Furthermore, as Engels noted in his review,\(^82\) in the *Contribution* . . . Marx freely employed the term ‘contradiction’, and in one place\(^83\) compared the metamorphoses of commodities to the syllogism P:U:I, a figure which Hegel treated exhaustively in his *Science of Logic*.

All in all, I conclude that Engels was entitled to refer to Hegel.

However, what exactly was the lesson that Marx learnt from Hegel? It is necessary to distinguish between systematic dialectic (a method
of exhibiting the inner articulation of a given whole) and historical
dialectic (a method of exhibiting the inner connection between stages
of development of a temporal process), of which examples of both
are to be found in Hegel. The problem with Engels's account is that
he conflated the two. It is clear that Marx was influenced in his
work by Hegel's method of developing concepts from one another
in accord with a logical principle. But in his review Engels tried to
restore Hegel's reputation by pointing to his 'tremendous historical
sense'. Engels was thereby led to make the fateful step of inventing
a method of exposition which, while 'logical', is yet 'nothing but the
historical method, only stripped of . . . disturbing fortuities'.

I say 'invent' because this is not something that can properly be
derived from Hegelianism as Engels seems to imagine, for Hegel,
in his systematic dialectics such as The Philosophy of Right, is to be
found developing logical orders differing from historical orders.
Indeed, when Marx in his 1857 Introduction makes reference to Hegel
in one place, he does so precisely on this question, pointing out that
in his Philosophy of Right Hegel rightly developed the category of
possession before that of the family although this made no histor­
ical sense. Almost certainly Marx must have had at the back of his
mind a passage from Hegel's Philosophy of Right in which the latter
made the same point with this very example: 'It may happen that
the temporal sequence . . . is to some extent different from the con­
ceptual sequence. Thus, we cannot say, for example, that property
existed before the family, although property is nevertheless dealt
with first.'

The Logic itself, although eminently dialectical, being indeed dia­
lectic in its home sphere, could not possibly be 'also historical' of
course. As if to emphasize this point Hegel equates it with an eternal
pre-given form: the mind of God before the creation of the world.

Extraordinarily, however, when he cited Hegel's books in evid­
eece, Engels ignored the Logic, the one book Marx himself told
Engels had influenced him. If Engels had taken seriously the Logic
as a guide to method, then he would have been led to stress the sys­
tematicity of Marx's approach; instead, harking back to his youthful
enthusiasm for Hegel's philosophy of history, Engels saw the unity
of the text as established historically.

Engels's view dominated Marx scholarship this century (e.g. Hil­
ferding, Dobb, Meek, Howard and King, Mandel) but is now widely
contested, for it flatly contradicts Marx's explicit statement in his
draft 'Introduction' of 1857 (presumably unknown to Engels) that
the categories should not be presented in order of historical evolution, but in accordance with the articulation of the existing system.  

However, Engels did have on file an extremely confusing outline by Marx of his projected book, in which he spoke of transitions which were 'also historical'. Possibly the idea of a 'logical-historical method' may have occurred to Engels when trying to make sense of Marx's text because of this.

Furthermore, Marx always intended to supplement his substantive treatment with a review of the history of economic thought. In the 1859 text we find three interludes on this literature, the first explicitly historical. This seems to have been why Engels stated that 'even according to the method won, the critique of economics could still be arranged in two ways - historically and logically'. For he conflates the literature with its object: 'Since in history, as in its literary reflection, development proceeds by and large from the most simple to the more complex relations, the historical development of the literature of political economy provided a natural guiding thread with which the critique could link up, and on the whole the economic categories would thus appear in the same order as in the logical development.' So the double exposition of the Contribution in which the substantive critique is followed by a survey of the relevant literature seems to have been interpreted by Engels as a straight comparison of logic and history since the literature was 'reflected history', so to speak.

The problem lies in the term 'reflection'. Marx gives the following example: 'Caught up in the ideas of the monetary system, Petty asserts that the labour which determines exchange value is the particular kind of concrete labour by which gold and silver is extracted.' We see, then, that in a sense Petty 'reflects' an underdeveloped stage of capitalism; but this issues in a false theory, false even at the time. The presumption that money hoards alone constitute wealth reflects the fact that when bourgeois society was in its infancy trade was the basis of capital accumulation. However, Marx does not leave the matter there. When he comes to the attack on the illusions of the monetary and mercantilist systems mounted by political economy he says that in truth these old systems were not only historically excusable, they had validity in so far as they sought to express value in an adequate form.

Nonetheless, in the logical development Marx follows classical political economy in concentrating first on money in its 'fluid' form before its 'crystallization' into hoards, whereas the history of the
theory developed in the opposite direction because at first international trade bulked larger than industry.

What remains to be assessed is Engels's argument that the history has to be 'corrected' in the light of the logic. What does it mean? Engels is not at all clear on this; however, whereas sometimes he speaks as if the exposition must start with something primitive ('with the moment when products are exchanged for one another – whether by individuals or primitive communities'), in other places he says that the method requires that this not be done, but rather that commodities be studied 'in their complete development', and that, in general, each moment must be examined 'at the point of development of its full maturity, of its classical form'.

The only way of making sense of this claim is to assume that the truth about commodities and money can only be established in their complete development, yet for some sort of unexplained reason one is entitled to read this back into their elementary forms, and that this would have historical relevance in so far as Engels was confident that on the whole history follows the same order as the logic.

Such a complex procedure is certainly not explained and justified in Marx's 1859 text. But Engels's reference to the complete development of forms is based on Marx's own exposition. For example, Marx says: 'The full development of the law of value presupposes a society in which large-scale industrial production and free competition obtain, in other words, modern bourgeois society.'

But the true relationship of logic and history, if there is one, may be the inverse of Engels's assumption: Marx points out, in the suppressed 1857 Introduction, that the 'simple' category of labour-in-general only acquires 'practical truth' when capitalism is mature. (Likewise, it was not until Smith that the literature of political economy arrived at this pure concept.) Again, he argued that it was necessary to deal first with capital as the predominant factor in modern bourgeois economies, as against land, however important the latter had been historically. On this basis Marx concludes it would be wrong to deal with economic categories in some historical order. But what is also apparent is that at this time Marx was by no means clear about the relation between logic and history; the piece has very much the feel of an exploratory discussion, and it was very possibly suppressed just because Marx felt the whole issue needed further thought. For when he directly posed the question as to whether simpler categories had historical existence before more concrete ones he replied 'that depends', and launched into a
complex discussion of the matter. While Marx's notes show that he differed from Engels's formulation of this relationship, I think Marx let the review pass, not just because of the urgency of deadlines, but because he was still undecided about the relevance of his logical arrangement of the categories for historical research. However, what we can say is that if the relation to history of the logical development is variable, then we cannot, as Engels seems to think, take history as a guide. Rather we must take the inner articulation of this present system as our point of departure, evolve a purely logical method of treatment of the material to hand, and then we might in addition note transitions that are 'also historical' in some sense. But that would not be a necessary feature of the method as is implied by Engels's talk about 'constant contact' with the course of history. So the present might provide hints for looking at the past, but this is different from identifying in it earlier instantiations of purely logical phases in the development of the categories of the capitalist economy.

What probably impressed Engels (and his followers like Meek) is that if one considers the basic forms of circulation, then the sequence commodity–money–capital could be both logical and historical; each cannot be understood without its predecessors, and with luck the concept of each could be derived from its predecessor through a dialectical development, while historical contingencies did indeed make this progression possible. But we should note that starting historically with the commodity would not mean starting historically with value in Marx's sense, because under the contingencies operative in underdeveloped forms of commodity exchange we would have price, to be sure, but not yet labour values (unless one means something relatively indeterminate by value) which, as Marx allows in the Contribution itself, require full industrial development. (I postpone elaboration of this argument about the law of value until the topic of 'simple commodity production' is reached in the next section.)

Let us now summarize how close Engels's review is to the method of the book it is reviewing. Meek was too generous when he claimed that 'what Engels says is accurate enough as a generalization of the method employed by Marx in the book Engels was actually reviewing.'

On comparing the two texts we conclude:

(a) Engels was right to refer to Marx's dialectical development of categories, and to name Hegel as an important source for dialectical
method. But he should have looked to Hegel’s logic rather than to his philosophy of history;

(b) Engels was wrong to say that the literature of political economy provided Marx with his ‘guiding thread’, on the contrary, Marx criticized the literature, for its vacillating between categories of different levels of analysis, in his final word on it; he could only do this having independently grasped the hierarchy of categories with his own logical apparatus.

Before leaving the 1859 texts it is interesting to observe something Marx said in Contribution which Engels failed to pick up in his discussion of Hegel. In a section expressing ideas Marx will later term his theory of ‘commodity fetishism’, he calls the system of commodity exchange ‘perverted’, not in a normative but a cognitive sense. In the value form the relation of persons is ‘hidden by a material veil’ (’dinglicher Hülle’), which gives rise to ‘Mystifika­tion’. Although labours are carried out privately they require some social mediation. This is achieved through their positing as identical in the value form. ‘This reduction appears to be an abstraction, but it is an abstraction which is made every day in the social process of production.’ It determines labours as social but in a very peculiar sense because they are constituted by ‘a specific kind of sociality’ in which ‘the social relations of individuals . . . appear in the perverted form of a social relation between things.’

In his review Engels observed that in Hegel real relations elevated to the realm of ‘pure thought’ appear in an ‘abstract distorted’ manner, wrapped in an idealistic veil. Is there not a striking parallel between this critique of Hegel and that mounted by Marx of commodity relations? In both cases, ‘abstraction’ is fatal; in Hegel’s case his abstractions, ‘distorted’ forms of real relations to be sure, veil reality idealistically; in the case of commodity exchange a real abstraction gives rise to the value form and casts a ‘material veil’ over the reality of social production. If one wanted to relate ‘literature’ to real history one might find food for thought in this parallel!

After 1859 nothing more was said on the ‘logical-historical method’ while Marx was alive. It is worth noting that in Engels’s reviews of Capital, Volume I, this account of Marx’s method was not mentioned. This may be considered very significant (although, as we shall see shortly, it seems to be applied in the Preface and the Supplement
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he wrote for his edition of Volume III\(^{119}\). But that he may still have hankered for it can be seen from his letter responding to proof sheets of the first part in which he said that ‘the knowledge gained here dialectically could be supported by more historical examples, to make the test of history on it’\(^{120}\).

Before addressing the question of what sort of method is implicit in Marx’s project, let us look at another relevant text of Engels.

**SIMPLE COMMODITY PRODUCTION**

In his 1859 review Engels at one point specified that, although both logical and historical methods were possible, the logical sequence was ‘nothing but the reflection of the historical process in an abstract and theoretically consistent form, a corrected reflection but corrected in accordance with laws yielded by the actual historical process itself, since each moment can be examined at the point of development of its full maturity, of its classical form.’\(^{121}\) The question arising from this is at what point does a moment attain ‘its classical form’? – With regard to value itself, for example?

Engels came back to this question in his Preface to *Capital*, Volume III. He started there by referring to ‘the misunderstanding that Marx seeks to define where he only explains, and that one can generally look in Marx for fixed, cut-and-dried definitions that are valid for all time’. He explained that ‘where things and their mutual relations are conceived not as fixed but rather as changing, their mental images, too, i.e. concepts, are also subject to change and reformulation; that they are not to be encapsulated in rigid definitions, but rather developed in their process of historical or logical formation.’\(^{122}\)

This passage is an excellent expression of the dialectical point of view, and it does indeed apply in full measure to Marx’s *Capital*. However, in applying it himself Engels provided a particular interpretation of it which proved to be enormously influential. He said that in view of the above propositions, ‘it will be clear, then, why at the beginning of Volume I, where Marx takes simple commodity production as his historical presupposition, only later, proceeding on this basis, to come on to capital – why he proceeds precisely there from the simple commodity and not from a conceptually and historically secondary form, the commodity as already modified by capitalism.’\(^{123}\)
Although Engels did not refer to the ‘logical-historical method’ here, his coining of this concept of ‘simple commodity production’, and his claim that such a régime did exist, and instantiated the law of value, can be properly seen as an application of the method. In this passage Engels is again supposing that Marx’s logical method is based on a historical process, namely that from the historical ‘presupposition’ of ‘simple commodity production’ to capitalist production.

In truth, Engels never completely clarified the point about when exactly value is a reality. Thus, when in response to Capital, Volume III, Conrad Schmidt put forward the thesis that the ‘value’ discussed in Volume I is a ‘necessary fiction’, Engels wrote to him arguing that ‘the law of value and the distribution of surplus value according to the rate of profit . . . attain their most complete approximate realization only with the prerequisite that capitalist production has been completely established everywhere’, but ‘this condition does not obtain yet even in England . . .’. However, the general thrust of his reply was to claim that, notwithstanding the point about its ‘complete realization’, value is real enough for practical purposes earlier, indeed at the outset of ‘simple commodity production’. The day before writing to Schmidt, Engels had written to Werner Sombart in much the same vein, arguing that ‘value had a direct and real existence’ at the time ‘when commodity exchange began’, but ‘this direct realization of value . . . no longer happens’, for ‘the value of the capitalist mode of production . . . is so thoroughly hidden’.

So strongly did Engels feel about this that he wrote a special paper on the subject, which was placed as a Supplement to the second edition of Capital, Volume III. He was there concerned to dispel any doubt that ‘what is involved is not just a logical process but a historical one’. After developing the point at length, he concluded that ‘Marx’s law of value applies universally, as much as any economic laws do apply, for the entire period of simple commodity production, i.e. up to the time at which this undergoes a modification by the onset of the capitalist form of production’.

Of course, the context in which Engels became involved in the discussion of simple commodity production was that in which it seemed to many that in the third volume of Capital Marx had abandoned the law of value in favour of another principle of price determination. However, intelligent readers could see that in Marx’s procedure values were a stage in the process of generating the Volume III ‘prices of production’. Faced with the claim that, if such values were not empirically present because they were superseded
in the presentation by these prices of production, then they had no substance, being, indeed, mere 'fictions', even if convenient or necessary fictions (as Schmidt argued), Engels reacted by interpreting the stages of Marx's presentation historically in order to ensure that the values were indeed empirically visible, but, of course, in the past, before capitalism 'modified' the relationships involved. But Engels conceded far too much to the sceptics by reorganizing Marx's conceptualization of value in such a fashion that these obsolete values were adjudged the pure form and the 'capitalistically modified' form the 'secondary' one. Sceptics could legitimately wonder if such superseded values had any present relevance.

Before discussing the merits of Engels's view, it has to be noted that there is precious little textual support for it. Marx certainly does not develop the idea of 'simple commodity production' at the point where it was supposed to be under discussion, namely the first few chapters of Volume I. This did not prevent Dona Torr, for example, indexing no less than twenty pages of Volume I under the head 'Commodity Production, Simple'127 — striking testimony to the almost hypnotic power of Engels's influence on Marx's editors and commentators.

The truth is that Marx never used the term 'simple commodity production' in his life.128 Likewise, it is certain he never referred to the capitalistically produced commodity as a secondary derivative form.129

The only occurrence of the term 'simple commodity production' in the whole three volumes of Capital occurs in Volume III, but this is in a passage given to us subsequent to Engels's editorial work, as he himself warns us in a note.130 It is now possible to check this against the manuscript itself, which recently was published in the new MEGA. It is clear that the entire paragraph was interpolated by Engels (as, indeed, was the one on the next page about capital's 'historical mission').131

It is evidence of the enormous authority of Engels, as interpreter of Marx's meaning, that the standard textbooks for a long time repeated his view of the matter.132 Generations of students have been taught Marxist economics on the basis of a distinction between capitalist production and 'simple commodity production'. Yet this approach descends from Engels, not Marx.

It is true that Engels was able to cite a passage from the manuscript of the third volume in which something like the content of the idea of a stage of simple commodity production was discussed by
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Marx. Seizing enthusiastically on this, Engels claimed that 'if Marx had been able to go through the third volume again, he would undoubtedly have elaborated this passage significantly':\textsuperscript{133} however, it is just as possible he would have decided it was a false trail and eliminated it!\textsuperscript{134} Certainly, odd references in Capital to pre-capitalist production are not used with any systematic intent.

Let us be fair to Engels: it is of course permissible to invent new terminology in an endeavour to make clear what a writer intended even if he himself failed to put it in such terms. The question is whether or not it gets closer or further from a sensible understanding. This is what will be addressed in the next section.

It may be noted that such an outstanding Marxist economist as Ernest Mandel remains firmly persuaded of Engels's opinion that Marx's Capital is relevant to simple commodity production, and that such a regime existed historically.\textsuperscript{135} Nevertheless, just as with the 'logical-historical method' in general, this application of it is now contested.

Engels rightly drew attention to the fact that, in a dialectical movement, concepts must be grasped in their 'formation'. But when do we have a fully formed concept? When do we have a 'half-baked' one? I argue – to put it crudely – that 'simple commodity production' of value is a half-baked notion.

I shall not enter on a discussion as to the historicity of 'simple commodity production'; for there is a prior more interesting question from a theoretical point of view: does the model work conceptually? Does the law of value really attain its maturity at such a posited stage of development of commodity exchange, or rather, does it attain its complete development only with capital? Is it correct to view the 'simple' commodity as in some sense primary, and the product of capital as in some sense 'secondary', a derivative form presenting us with a less than 'pure' case?

The key question we have to answer is whether or not it makes sense to speak of value, and of exchange governed by a law of labour value, in such a pre-capitalist society, just as much, or perhaps more purely so, as in capitalism proper? The truth is that it does not, because there is in such an imagined society no mechanism enforcing such a law; there is no necessity for value to emerge as anything more than an empty form with the potential to develop a meaningful content with capitalism.

There are two cases to consider: either there is mobility of labour
or there is not. In the latter case exchange in proportion to labour times expended could only occur on the basis of a normative principle. It might have been a widely followed rule, but not an objectively imposed law to be grasped in its necessity by science. Even if one could find historical examples of this rule, it is clearly irrelevant to commodity production in a market economy based on driving hard bargains. In the former case exchange at 'value' is supposed to take place because otherwise people would switch into the better rewarded occupation. As with the other case, it should be noted that this presupposes everyone knows what labour is expended by others; this is a very doubtful proposition historically. However, even if it is accepted as an idealizing assumption it is still true that we have nothing like an objective law operative. For the assumption is here that the only consideration affecting the choices of individuals is avoidance of 'toil and trouble', as Adam Smith originally argued; equal quantities of labour are always 'of equal value to the labourer', he claimed. This subjective hypothesis has little to do with Marx's argument that there exists in capitalism an objective law of value which makes exchange at value necessary. If one relies on a merely subjective perception of producers, then other subjective considerations to do with the trouble of learning new methods, or the preference for one occupation rather than another, may be operative also.

Why should there be any tendency to establish a socially necessary labour time? It is only in modern industry that competition within a branch, and the mobility of capital between branches, brings about the development of a common measure. Only in capitalist industry are tea-breaks timed to the second, and abolished entirely if possible. The heart of the matter is not an ideal type of rational economic man read back into the natural state, but the objective rationality of the system of capitalist competition. Marx makes this clear when he says that Ricardo 'is at least aware that the operation of the law [of value] depends upon definite historical preconditions'. Ricardo held that the determination of value by labour-time is valid for 'such commodities only as can be increased in quantity by the exertion of human industry, and on the production of which competition operates without restraint'; Marx comments that what is really meant by this is that 'the full development of the law of value presupposes a society in which large-scale industrial production and free competition obtain, in other words, modern bourgeois society.'
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Just because there is exchange of goods produced, this does not mean any law of value governs the ratio of exchange. Price in such a case could simply be a formal mediation, allowing exchange to take place but without any determinate value substance being present. According to Marx the law of value is based on exchange in accordance with socially necessary labour times, but in the case of simple commodity production there is no mechanism that would force a given producer to meet such a target or be driven out of business. When all inputs, including labour power itself, have a value form, and production is subordinated to valorization, then an objective comparison of rates of return on capital is possible and competition between capitals allows for the necessary enforcement of the law of value.

If it is granted that value is not a substance given prior to exchange (as is use value), but one which develops only in and through the forms of exchange, then it is fully developed only when these forms have reached the point at which we can demonstrate that value has become a reality in both form and content, and that its logic has imposed itself on the movement of the economy to the extent that we can speak about a quantitatively determinant law of commodity production. For the reasons explained above this law cannot hold in the postulated model of simple commodity exchange.

In assessing the faithfulness of Engels’s commentary on Capital to Marx’s intentions, two distinct issues must be separated. First, do the early chapters of Capital refer to simple commodity production? Here, I think that the evidence is clear that from the very first line Marx is presupposing that his object is capitalist production and that the commodity is its basic unit of output whose conditions of existence he traces. Next, notwithstanding this last point, namely that Marx was interested in the commodity as a product of capital, might it not be true that the laws adduced here can nonetheless be referred back to a real or imaginary stage of simple commodity production? Here, I have argued above that the law of value could not govern such a mode of production.

Thus, taking the two points together, Engels’s view that the logical development of Marx’s argument is a ‘corrected history’ of a development to capitalism out of ‘simple commodity production’ fails both at the textual and substantive level.
THE PROBLEM OF TOTALITY

Following Engels's lead the main dialectical theorists presented dialectic as a principle of movement, primarily of history. Left in the shade was the fact that dialectical argument is better suited to reconstruct the articulation of a structured whole, regardless of whether the whole is stable or likely to transform itself into something completely different. Yet if we look at Hegel and Marx it is clear that analysis of wholes through systematic dialectical argument is what is most important in their work. The problem I want to address is in what exactly consists the logical method of development of the argument of Capital? It must be adequate to its object: I argue that the object is a certain sort of whole. What sort? Well: it is not a mere aggregation; this we have in a pile of bricks where one brick is placed casually on another. It is, rather, a totality where every part clearly requires complementing with others to be what it is; hence internal relations typify the whole, such that the very essence of each element depends on its relation to others and the whole. A thing is internally related to another if this other is a necessary condition of its nature. We cannot say 'what it is' without reference to the whole context of its relations and determinants. If the elements are bound together in such a whole, we can even speak then of holistic causality bringing about a substantial transformation of the spheres involved.

The problem we face is that a totality cannot be presented immediately; its articulation has to be exhibited; we have to make a start somewhere, with some aspect of it. But in the exposition the argument can move through the reconstruction of the whole from a particular starting point because we can move logically from one element to another along a chain of internal relations; in strict logic if the very meaning of an element is at issue (which I would argue is the case in the value forms commodity–money–capital each of which requires the others to complete its meaning or develop its concept), or with a fair degree of confidence if material conditions of existence are involved (as with the relation of valorization to production).

This is why Marx and Engels got involved in methodological problems. As was noted above, Engels explains that one cannot generally look in Marx for fixed, cut-and-dried definitions that, once given, are valid from then on. In a dialectical argument the meanings of concepts undergo shifts because the significance of any element
in the total picture cannot be defined for good at the outset. In an analytical argument this last is the assumption, namely that the analysis of the whole into its elements results in a set of 'atomic facts', and then the whole is grasped as the aggregate influence of these elements on each other. But if, contrary to this, each element is significant only in so far as it is itself determined by its place in the totality, then, as the presentation of the system advances to more complex, and concrete, relationships, the originating definition of a concept shifts accordingly, normally towards greater definiteness, although sometimes new and broader applications of the concept come into view. Instead of foreclosing on reality, the dialectical method remains open to fundamental reorganizations of the material thus far appropriated, as it gets closer to the truth of things. For example, only when commodities are grasped as products of capital can the form of value be seen as infused with a determinate content under the force of valorization. A commodity is not at all the same commodity when viewed as a product, and again when viewed as a product of capital.  

For Engels, the value of commodities is real from the start of the exposition, and its truth is transparent at that point, only to become clouded when the later modifications impact on the initial posit. The reason I argue this logic is inappropriate is that at the core of capitalism is a totality which forms its elements in such a way that taken apart from it they are denatured. Thus value depends for its reality on the full development of capitalist production, and makes very little sense outside it. Yet this 'finished form' of value cannot be artificially held apart from its predecessors. From a dialectical point of view, when the movement to prices of production is undertaken the law of value is realized only in its negation, for the condition which grants it determinacy, namely capitalist competition, brings with it differences that transform actual values. But the law still holds in an important sense, even in the mode of being denied, because prices of production can properly be understood only as the outcome of this dialectical unity in difference: of the potential and realized values.

The law of value is not something lying at an origin, whether logical or historical; it is something that comes to be in the capitalist totality.

To conclude, let us address the problem posed by historical anticipations of capitalist relations. We have argued that the object of
Marx's investigation is a totality in a special sense. In this context we can now locate the problem of how to deal with the fact that elements of the totality pre-existed it; for we know that prior to the rule of capitalist industry there existed commodities, money, and even capital itself in the shape of merchant capital and usurious capital.

If one takes Marx's analysis of money one discovers that he introduced its functions in a quite unhistorical manner. Indeed, as Marx himself was aware, historically these functions were frequently performed by different objects, having been institutionalized separately. What is distinctly different about capitalism is that the actualization of value as a totality of form determinations imposes a requirement for these separate functions to be integrated through the evolution of a single money commodity. Given a single, though complex, concept of money, then the exposition of the totality can develop its functions in the most appropriate systematic order, without any historical implications. Thus money has a key role now as an internal moment of capital; this gives it quite different determinations than any 'money' that performs some particular function (e.g. as circulating medium) in pre-capitalist formations.

Next: should one take Marx's derivation of M–C–M' (i.e. the exchange of money for commodities followed by the sale of commodities for more money) as abstractly general or as introducing capital in a particular historical shape, namely merchant capital? Clearly, systematically it must be counted as the abstract form of capital with no such concrete reference. Interpreted concretely it could be a description of the circuit of merchant capital, but Marx rightly deals with such capital late in his exposition because in this society merchant capital is subordinate to industrial capital. It has a quite new historical determination owing to its function of circulating and realizing values of industrial products and achieving a revenue based on this specific function. This is different from its earlier function of linking otherwise isolated centres of economic activity for the sake of a revenue based on arbitrage. The merchant capital is not now facilitating the circulation of pre-capitalist surpluses, and profiting from that, but it is dealing in goods produced for the market, and helps valorization of capital in general.

The same lessons can be drawn for money-lending capital. We must distinguish first the usurer who originally set up to fund consumption, then the Shylockian lender to speculators and merchants, and finally modern banking, the bulk of whose lending goes to businesses. Thus the abstract form of interest-breeding capital, M–M',
covers very different functions according to the level of historical development of commodity production. So, again, simplicity demands the development of the exposition be systematic rather than historical.\(^{146}\)

Marx explicitly concentrates, in *Capital*, Volume I, on industrial capital and produced commodities, whereas, historically, merchant capital and money-lending capital came earlier because they have fewer real presuppositions than industrial capital. Marx reached them only in Volume III because they now have a secondary status when functioning in the service of modern industrial capital, and, therefore, come later in his presentation. When Marx identified industrial capital as the dominant form in the bourgeois epoch this does not mean simply that it has pushed aside, as it were, other bases of unearned income such as land\(^ {147}\) and merchant capital, but rather that it is the overriding moment in a totality which restructures the context in which other elements operate, and thereby also fundamentally transforms them in their own determinacy and in the role they play in the whole and its reproduction. Thus the ‘capital’ that ‘pre-existed’ capitalism is not the same capital that exists now. Marx commented:

Industrial capital is the only mode of existence of capital in which not only the appropriation of surplus-value or surplus product, but also its creation, is a function of capital . . . The other varieties of capital which appeared previously . . . are not only subordinated to it and correspondingly altered in the mechanisms of their functioning, but they now move only on its basis, thus live and die, stand and fall together with this basis.\(^ {148}\)

What I argue is that if capitalism is a totality that assigns every element its particular function, then elements in a pre-capitalist context have perhaps rather different determinations, and their nature is not the same, even if superficial similarities across time may allow some sort of nominal definition of them. But, now, their real definition is given by capital. Marx said:

In every social formation there is a specific kind of production which predominates over all the others and whose relations therefore determine their rank and influence. It is a general illuminant tingeing all other colours and modifying their specific features. It is a special ether determining the specific gravity of everything appearing in it.\(^ {149}\)
In general, then, attempting to fit the 'logic' to the 'history' would be a misconceived enterprise, since the elements traced through the internal relations of the capital totality are not identifiable with similar elements operating in an earlier environment. If the significance of an element cannot be grasped apart from its place assigned by the totality, then even if nominally identical elements existed in earlier periods they are in truth different just because of the different context in which their effectivity is played out. As Marx put it: 'Even economic categories which belong to earlier epochs of production take on a specifically different, historical, character on the basis of the capitalist mode of production.'

Although this self-relating, self-differentiating, self-grounding totality did not spring from nowhere, in so far as its elements pre-existed it in some shape or other they cannot – just because they were not formed by the totality in question – then have had the same nature, form, function and law as they gain within it. As I indicated earlier (in the discussion of 'simple commodity production') this is true of the law of value itself.

CONCLUSION

In discussing the question of whether or not Engels was accurately retailing Marx's method, both those for and against him could find – and have found – suitable quotations to support each case. Although it is clear that in *Capital* he articulated the structure of a totality, I think that Marx himself never fully clarified the relationship of his own logical method to history. But I hope I have said enough to show that, while Engels was certainly sensitive to the demands of dialectical forms of exposition, it was not helpful to insist so strongly on the so-called 'logical-historical method'; rather, a strictly systematic dialectic is indicated, with caution exercised about relating the moments of the existing totality to pre-capitalist forms.

Truer to Engels's account of the dialectical exposition of concepts than treating the starting point of *Capital* as a historical presupposition, or as a simple model, would be to consider it as a provisional immature abstract moment of a complex totality. The exposition has to remedy the insufficiency of the starting point by showing how value, in its complete, finished form, does make good the promise of a law of value, by grounding it in the *developed* value.
forms – first money, then capital, then productive labour, finally
circulation and accumulation of capital.

Engels was quite right in his intuition that to comprehend such
a system requires, not a 'rigid definition' of value, but an exposition
of its development, an unfolding of its forms, discovering deeper
essential determinations at each stage. In such an exposition this
system of forms must be grasped as a totality, not as a set of inde­
pendent stages. Certainly history is the test, as Engels said, but it is
future history because only when capital achieves a mature form
does its inexorable law of accumulation take root.

We all owe Engels a tremendous debt for the work he accomp­
lished after Marx's death in transcribing and editing the volumes of
Capital, and organizing translations. I believe that much of the work
he did on Volume I cannot be faulted. As for the work he did on the
other two volumes, more research is required to reach a final verdict,
but I have shown that he wrote 'simple commodity production'
into Marx.

With regard to Engels's attempts to facilitate our understanding
of Marx's method, I have argued that he was absolutely correct to
indicate the importance of dialectic, but, instead of interpreting this
largely in the light of Hegel's philosophy of history, he should have
drawn attention to the importance of Hegel's systematic dialectic. 151

Notes

1. An English translation may be found in Karl Marx and Frederick
Engels Collected Works (hereafter CW) Vol. 3. For an illuminating
study of it see Gregory Claeys, 'Engels' Outlines of a Critique of
Political Economy' (1843) and the origins of the Marxist critique of

2. Very early times in fact, for Marx complains to Engels in a letter of
1856 about a journalist: 'It is exceedingly odd, the way he speaks of
us in the singular – "Marx and Engels says", etc.' (1 Aug. 1856: CW
40, p. 64).

3. M.C. Howard & J.E. King, The Political Economy of Marx, Longman,
Harlow, 1975, p. 46. I cannot trace this error-ridden paragraph in
the thoroughly rewritten second edition of 1985.


5. R.L. Meek, Economics and Ideology and Other Essays (1967), pp. 96,
98, 99ff.

6. Studies in the Labour Theory of Value (1956), 'Introduction to the
8. CW 20, p. 217.
9. Ibid.
10. Ibid.
11. CW 20, p. 208.
14. Neither J.D. Hunley (The Life and Thought of Friedrich Engels: A Reinterpretation, 1991) nor S.H. Rigby (Engels and the formation of Marxism, 1992), who both know Levine's work, mention, or reply to, this part of it.
15. Hunley defends Engels's editing work on the later volumes against Levine's criticism of it (op. cit., pp. 56–8). G. Stedman Jones cites this part of Levine's study but does not mention, or reply to, the mistaken charges against Engels as a reviewer ('F. Engels', in The New Palgrave: Marxian Economics, 1990, p. 163).
18. Capital, Volume III (Fernbach trans.), p. 91; Capital, Volume I (Fowkes trans.), p. 110.
23. The Pauls when translating (1928) from the fourth (1890) German edition deal with the different chapter numberings from the earlier translation by falsely informing the reader that earlier German editions of Capital had more chapters (Everyman edition, p. xlv).
28. Letter to Danielson, 28 May 1872. See also Marx to Sorge, 27 Sept.
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29. Letter to Danielson, 15 Nov. 1878: CW 45, p. 343. It might be thought the same ‘flattening’ happened to the 1887 English version.

30. 28 Nov. 1878: CW 45, p. 346.

31. See my note in Science & Society (Summer 1990), using the French, for an important case where the Engels edition is to be preferred to the modern translation by Fowkes.

32. Capital, Volume I (1883 edn), p. 63; MEGA II, 9, p. 49. The Apparat volume to the MEGA edition of the first English translation of 1887 has an inventory of deviations of the translation from the third German edition on which it was based.

33. This debate was initiated by Althusser and Balibar in their Reading Capital (English trans. 1970). See the Index and Glossary under ‘support’.


36. MEGA II, 7, p. 64; MEGA II, 9, p. 74. In view of its interest, I restored the sentence in my Student Edition (p. 41), otherwise based on the 1983 edition published by Lawrence & Wishart.

37. MEGA II, 7, p. 790; MEGA II, 9, p. 739.


40. Capital, Volume I (Fowkes trans.), p. 508.


43. MEGA II, 5, Capital 1867, p. 147. In the French edition (MEGA II, 7, p. 162) the sentence is omitted, and replaced by other matter.


45. Ibid., p. 143n. It isn’t clear why Hilferding did not use the fourth edition.

46. Capital, Volume I (1983 edn), p. 192; MEGA II, 9, Capital 1887, pp. 171–2. Fowkes, translating from the fourth edition, is faced with ‘daher’ of course (Das Kapital, MEW 23, p. 212), and gives: ‘This power being of a higher value, it expresses itself in labour of a higher sort . . .’ etc. Capital, Volume I (Fowkes trans.), p. 305.

47. In Marx’s main previously published work, The Holy Family (1845) and The Poverty of Philosophy (1847), Hegel is treated rather roughly.

48. Nos 14 and 16, 6 and 20 Aug. The original text is available in Karl
Marx, "Ökonomische Manuskripte Und Schriften 1858–61, MEGA II, 2. I shall also give page references to the Peking edition (published as an Appendix to Karl Marx, Preface and Introduction to 'A Contribution to the Critique of Political Economy', 1976), which is a modification of the English translation appended to K. Marx, A Contribution to the Critique of Political Economy (Progress Publishers, Moscow 1970), for the 1980 translation in CW 16 is inferior to the earlier one.

49. R.L. Meek, Studies in the Labour Theory of Value (1973), p. 148. The term itself is not in Engels but is fair to his text.


51. Preface and Introduction to ‘A Contribution to the Critique of Political Economy’ (Peking edn), p. 40. This text is quoted, in the above-mentioned challenge, by M. Morishima and G. Catephores ('Is there an ‘Historical Transformation Problem’?' The Economic Journal, Vol. 85, June 1975); and also very extensively in their response (Vol. 86, June 1976) to Meek's reply. Astonishingly, throughout the latter note they give the impression (e.g. pp. 348, 350–1) that Engels in his review was also reviewing this Introduction – but the latter was excluded from the Contribution . . . , as Marx notes in his Preface.


53. Indeed, in English it may well have predated an English translation of the Review. The first translation of the latter appears to have been published in 1935: Appendix D in F. Engels, Ludwig Feuerbach and the Outcome of Classical German Philosophy (Martin Lawrence, London, 1935).

54. Marx' Method, Epistemology, and Humanism [sic] (1986), p. 113
59. In his biography of Engels, Carver acknowledges the point but cites his earlier work on the subject without comment (Friedrich Engels: His Life and Thought, 1989, p. 239).
60. Kain refers to Engels mischaracterizing Marx's method (Marx' Method . . . , 1986, p. 113). Yet, oddly enough, instead of excusing Engels on the grounds that he could not have been aware of Marx's 1857 Introduction . . . on method, Kain for some reason thinks Engels was aware of it (Kain, Marx' Method . . . , 1986, n. 24, p. 172). Carver too thinks Engels may have been aware of it but simply misunderstood it (Marx and Engels: The Intellectual Relationship, pp. 109–10). I think it certain Engels was not aware of it. It is clear from his correspondence that Marx never showed anyone his work until it was in proof.
63. When D. McLellan refers to the review he adds: 'the main points in which had been dictated by Marx': Karl Marx: His Life and Thought (Granada, St Albans, 1976), p. 310. Carver has already pointed this out: Friedrich Engels: His Life and Thought, p. 239.
64. CW 40, pp. 471 and 473.
67. See letter to Engels, 5 Oct. 1859 (CW 40, p. 502) and letter to Lasalle, 6 Nov. 1859 (CW 40, p. 518).
69. Capital, Volume I (Fowkes trans.), p. 103.
74. Peking edn, p. 54; MEGA II, 2, p. 251
75. See The Science of Logic, pp. 400, 445, and 499.
76. In Marx's Contribution . . . Hegel is mentioned in its Preface respectfully but critically. There is no mention of anything to be learnt from him.
77. Perhaps it is worth noting that Engels was reluctant to do the review (letter of 25 July 1859), feeling very diffident about writing a theoretical piece after a long interval (letter of 3 Aug. 1859). So it is understandable if he fell back on old reflexes and continued the debates of the 1840s. (See Carver, Marx and Engels: The Intellectual Relationship, p. 115.)
79. CW 40, p. 618; Draper, Vol. 1, p. 90.
80. But Engels also was at that time using Hegel in beginning his researches on 'the dialectics of nature'. During his visit Marx must have promised to send Engels Hegel's Philosophy of Nature, for Engels complained in July that he had not received it (letter of 14 July 1858). One has to say the strictures in the 1859 review on the use of Hegel by the epigones apply only too well to the Dialectics of Nature of Engels himself.
83. CW 29, p. 331.
84. Peking edn, p. 54; MEGA II, 2, p. 251.
See §32, Remark & Addition; English trans., p. 61.

"... is the exposition of God as he is in his eternal essence before the creation of nature and a finite mind": Science of Logic, p. 50.

In a late letter Engels refers to it: letter to Schmidt, 1 Nov. 1891. But in the review there is only the slighting allusion discussed above.

T. Carver (Marx and Engels: The Intellectual Relationship, p. 103) has already pointed this out.

Meek claimed Marx's Introduction ... merely 'qualifies' Engels's account (Smith, Marx, and after, p. 138).

Letter of 2 April 1858. (Meek has already drawn attention to its importance: Smith, Marx, and After, p. 139n.)

Engels in his reply (9 April 1858) complained of 'a very abstract Abstract indeed', and of unclear dialectical transitions (CW40, p. 304).

MEGA II, 2, p. 252; Peking edn, p. 55.

MEGA II, 2, p. 131; CW29, p. 293.

CW29, pp. 389–90.

Peking edn, p. 56.

Peking edn, p. 57.


CW29, p. 300.

Peking edn, pp. 95–6.

Peking edn, p. 33.


Peking edn, p. 58.

Smith, Marx and after, p. 139.

Peking edn, p. 55.

CW29, p. 417.

Compare Contribution ... (CW29, pp. 272–6) with Capital, Volume I, Ch. 1, s. 4.

CW29, p. 276; MEGA II, 2, p. 113.

CW29, p. 276; MEGA II, 2, p. 114.

CW29, p. 272; MEGA II, 2, p. 110.


Peking edn, p. 55.

See my previous work: Dialectics of Labour, and 'Hegel's Logic and Marx's Capital'. Also see L. Colletti's 'Introduction' to Karl Marx: Early Writings (Penguin, Harmondsworth, 1975), p. 39; and M. Postone, Time, labor, and social domination (esp. p. 81).

Marx's Capital of 1867 made numerous references to his Contribution ... , but not to Engels's review of it, although three other works of Engels were praised. In the 1873 Afterword to the second edition Marx rightly said that his method 'has been little understood' (Fowkes trans. p. 99), but this Afterword raised more questions than it answered, especially with regard to some notoriously ambivalent and opaque remarks on Hegel's dialectic.
Incidentally, Engels's Preface to Volume II of *Capital* did not touch on the matter of logic and history. For purely external reasons he devoted it to an explanation of the uniqueness of Marx's theory of surplus value. Brilliantly making a parallel with the debate over the discovery of oxygen, he showed that, where others saw in surplus value only a *deduction* from the value of the worker's product, Marx saw an *addition* to the values productively consumed, namely surplus labour. He further clarified the point that labour as value-creating activity cannot have a value of its own. Note that the recent translation by D. Fernbach (1978) misses matter in this passage: 'labour-power for labour as the value-creating property' (p. 99) should read 'labour-power. By substituting labour-power for labour as the value-creating property ...'


Peking edn, p. 56.

*Capital*, Volume III, p. 103.

Ibid.


Letter of 11 March 1895: *Marx and Engels Selected Correspondence*, p. 481.

*Capital*, Volume III, pp. 1033 and 1037.

This was in a 1938 edition of *Capital* based on a reissue of Engels's edition.

If Marx did not use the term, what may have suggested it to Engels? There are two possibilities: in Volume I Marx refers to 'simple commodity circulation' in contrast to the circulation of money as capital (p. 253); also, in Volumes I and II there are chapters on 'simple reproduction' which deal with a supposed situation in which all surplus accruing to capital is consumed unproductively.

In his *Anti-Dühring* (pp. 225–6) Engels claimed to have found in *Capital* a discussion of the historical transition of commodity production into capitalist production. He cites at length a passage in which Marx presupposes the worker owned his own product (*Capital*, Volume I, Fowkes trans. pp. 729–30). He does not notice that this passage is written in hypothetical mode. I argue it is counter-factual in character in my 'Negation of the Negation in Marx's *Capital*', *Rethinking Marxism*, Winter 1993.

Fernbach trans., p. 370 and p. 371n.


In the Introduction above it was mentioned that Meek, for example, cited Engels as if his words were Marx's own.

*Capital*, Volume III, p. 1034; the full passage from Marx is on pp. 277–8.

Morishima and Catephores also have said this (*The Economic Journal*, 1975, p. 319).

Engels, Meek and Mandel think it is the case, but Morishima and Catephores argue against.

The Wealth of Nations, pp. 34–7. For Marx’s criticism of Smith on this point see his 1859 Critique . . . , CW 29, p. 299.

CW 29, p. 300; the quotation from Ricardo is given in the original English of the third edition (1821, p. 3; Pelican Classic edition 1971 p. 56) whereas without notice CW 29, provides a retranslation. The Stone translation of the 1859 Critique . . . has it correctly, p. 69.


Capital, Volume I (Fowkes trans.), p. 125. In the 1857 Introduction . . . Marx stresses that the subject he addresses is ‘modern bourgeois society’, and that therefore the succession of the economic categories, as well as the categories themselves, must express the form of being of this specific society. It follows that capital ‘as the all-dominant economic power . . . must form both the point of departure and the conclusion’ (Peking edn, pp. 39–40).

He made the same point also elsewhere: ‘To science definitions are worthless because always inadequate. The only real definition is the development of the thing itself, but this is no longer a definition’ (Anti-Dühring, p. 468).

Cf. Marx, Resultate: Capital, Volume I, Appendix (Fowkes trans.), p. 949; and CW 32, p. 301.

Marx, Contribution . . . , CW 29, p. 312.

Capital, Volume I (Fowkes trans.) p. 216.

Capital, Volume III p. 444 ff.

On lending see Theories of Surplus Value, Volume III, p. 467; CW 32, p. 463; Capital, Volume III, p. 735.

For the example of land see CW 28, pp. 183–4; in particular note that after a digression on the history of land and capital he writes: ‘But here we are concerned with bourgeois society . . . developing on its own basis’ (p. 184).

Capital, Volume II (Fembach trans.), pp. 135–6.

1857 Introduction, Peking edn, p. 39 (Grundrisse; CW 28, p. 43).

CW 34, pp. 358–9.

That the systematic approach need not lead to a premature closure, as Engels argued it had in Hegel (F. Engels, Ludwig Feuerbach and the Outcome of Classical German Philosophy, p. 23), I hope to show elsewhere.

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Engels as Interpreter of Marx's Economics


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